

REBUTTAL TESTIMONY

of

THERESA EBREY

Accountant
Accounting Department
Financial Analysis Division
Illinois Commerce Commission

ILLINOIS AMERICAN WATER COMPANY
DOCKET NO. 03-0768

April 13, 2004

Witness Identification

1 Q. Please state your name and business address.

2 A. My name is Theresa Ebrey. My business address is 527 East Capitol Avenue,
3 Springfield, Illinois 62701.

4 Q. Have you previously provided testimony in this proceeding?

5 A. Yes, my direct testimony is ICC Staff Exhibit 1.0.

6 Q. What is the purpose of your rebuttal testimony?

7 A. I am presenting rebuttal testimony addressing the Original Cost Determination
8 based on revisions discussed in the rebuttal testimony of Ronald D. Stafford in
9 IAWC Exhibit No. RDS-1.0 R, Exhibit RDS-1.4 (Rebuttal) and other supporting
10 documentation provided by the Company.

11 Q. What do you recommend as the Original Cost of the property acquired in this
12 transaction?

13 A. I recommend that the Commission approve \$806,825 as the original cost of the
14 Saunemin water system as set forth on Schedule 5.1. This is the total of the
15 amounts for Water Utility Plant Acquired as presented on Exhibit RDS-1.4
16 (Rebuttal) reduced by \$260.

17 Q. Explain your reduction in Water Utility Plant Acquired.

18 A. The \$260 reduction was for bulk fuel purchased by the Village of Saunemin for
19 the heater in the pump house. Fuel for heat is an operating expense and should
20 not be capitalized as proposed by the Company.

21 **Conclusion**

22 Q. Does this question end your prepared rebuttal testimony?

23 A. Yes.

Illinois-American Water Company
Original Cost of Saunemin System

Line No	Description (A)	Amount per Company (Exh RDS-1.4(Reb.)) (B)	Staff Adjustment (C)	Amount per Staff (B) - (C) (D)
1	Land & Land Rights - SS	\$ 16,620		16,620
2	Land & Land Rights - TD	9,587		9,587
3	Structures & Improvements - WT	288,294	(260)	288,034
4	Structures & Improvements - SS	90,363		90,363
5	Wells & Springs	47,930		47,930
6	Supply Mains	21,068		21,068
7	Pumping Equipment	2,654		2,654
8	Water Treatment Equipment	59,655		59,655
9	Distrib. Reservoirs & Standpipes	3,393		3,393
10	Transmission & Distribution Mains	168,309		168,309
11	Services	55,200		55,200
12	Meters	7,414		7,414
13	Meter Installations	5,544		5,544
14	Hydrants	31,054		31,054
15	Total	<u>\$ 807,085</u>	<u>\$ (260)</u>	<u>\$ 806,825</u>